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Ron DeSantis, Governor
Jonathan R. Satter, Secretary

July 19, 2019

Jonathan R. Satter, Secretary
Department of Management Services
4030 Esplanade Way
Tallahassee, Florida, 32399-0950

**Re: Auditor General Report No. 2019-098, Statewide Law Enforcement Radio System
Prior Audit Follow-Up and Selected Administrative Activities**

Secretary Satter:

As required by Section 20.055(6)(h), Florida Statutes, the six-month status report for the subject audit is attached. The report details the implementation or current status of each recommendation.

If you have any questions, please call me at 413-8740.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Beth Hall". The signature is fluid and cursive, written over a white background.

Sarah Beth Hall
Inspector General

Enclosure

cc: David Clark, Chief of Staff
Patrick Gillespie, Deputy Secretary of Business Operations
Katie Parrish, Director of Finance and Administration
Bob Ward, Chief Information Officer
Heath Beach, Deputy Chief Information Officer
Robert Downie II, Deputy Director of Division of State Technology
Melinda Miguel, Chief Inspector General
Kathy DuBose, Coordinator, Joint Legislative Auditing Committee

**Division of Management Services
Six-month Follow-up to the
Office of Auditor General
Report #: 2019-098**

Finding No. 1: SLERS Partner and Third-Party Tenant Revenue

Department policies and procedures for evaluating the accuracy and completeness of the State's proportionate share of revenue amounts due from SLERS partners and third-party tenants need enhancement. A similar finding was noted in our report No. 2015-104.

Recommendation:

We recommend that Department management enhance policies and procedures for evaluating the accuracy and completeness of the reported revenue amounts due from SLERS partners and third-party tenants, including establishing procedures to obtain and review source documents from Harris to validate the amounts due.

Six-month Follow-up Response:

This is partially complete. The SLERS contract monitoring guide is close to being finalized. Once the monitoring guide is finalized, appropriate agency personnel will receive training on these updated processes. During the creation of the guide, agency personnel identified areas for process improvement of monitoring. These improvements are being implemented.

Status: Partially Complete

Finding No. 2: SLERS Monitoring

As similarly noted in our report No. 2015-104, Department records did not always demonstrate that sufficient contract monitoring was performed to verify that contract requirements were met.

Recommendation:

We recommend that Department management ensure staff adhere to established policies and procedures for documenting Department monitoring of Harris' compliance with contract requirements.

Six-month Follow-up Response:

This is partially complete. The SLERS contract monitoring guide is close to being finalized. Once the monitoring guide is finalized, appropriate agency personnel will receive training on these updated processes. During the creation of the guide, agency personnel identified areas for process improvement of monitoring. These improvements are being implemented.

Status: Partially Complete

Finding No. 3: Conflict of Interest Statements

Department controls need enhancement to ensure that contract managers document that they are independent of, and have no conflicts of interest related to, the contracts they are responsible for managing.

Recommendation:

We recommend that Department management ensure that all personnel responsible for managing contracts are subject to Department conflict of interest policies and procedures and that all contract managers complete conflict of interest statements evidencing that they are independent of, and have no conflicts of interest related to, the contracts they are responsible for managing.

Six-month Follow-up Response:

As of February 1, 2019, the Division completed and filed no conflict of interest forms for all existing professional services and building construction contracts and implemented a procedure to route a no conflict of interest form along with all new contracts being routed for initial execution.

Status: Completed February 1, 2019

Finding No. 4: Public Deposits

The Department did not comply with the requirements of State law regarding public deposits.

Recommendation:

We recommend that Department management take steps to ensure compliance with the public deposits requirements established in State law.

Six-month Follow-up Response:

A group training will be provided to the key financial contacts for the department regarding education of the public deposit accounts during the first quarter of the year. An annual memorandum will include the process and procedure for the department to ensure all outside accounts are identified and reviewed. An internal procedure will include Financial Management Services (FMS) responsibilities to ensure all deadlines are met.

Status: Partially Complete

Finding No. 5: Property Disposal

The Department did not always obtain all required authorizations prior to disposing of property items.

Recommendation:

We recommend that Department management enhance property controls to ensure, and Department records evidence, that property is only disposed of after Committee authorization.

Six-month Follow-up Response:

FMS has streamlined many procedures to increase internal control of property through a new online training and purchase of additional scanners for inventory. FMS is continuing to

review and update policies and procedures. Training will be held in September for property acquisition, inventory, and disposals. New processes will be implemented to ensure that proper disposal requirements are met. A newly developed online training is required for all property delegates beginning July 1.

Status: Partially Complete

Finding No. 6: Mobile Device Security Controls

Security controls over mobile device utilization need improvement to ensure the confidentiality, integrity, and availability of Department data and information technology resources.

Recommendation:

We recommend that Department management enhance certain security controls related to employee use of mobile devices to ensure the confidentiality, integrity, and availability of Department data and IT resources.

Six-month Follow-up Response:

In January of 2019, the Department began implementing several security tools for agency owned and personal mobile devices which enhanced security controls to ensure the confidentiality, integrity and availability of Department data and IT resources.

Status: Partially Complete